

DRAFT

**CITY OF SAN DIEGO
COMMUNITY DEVELOPMENT BLOCK GRANT
RECOVERY ACT PROGRAM (CDBG-R)**

**SECOND SUBSTANTIAL AMENDMENT
TO THE
FY 2009 ANNUAL ACTION PLAN**



DRAFT
CDBG-R SUBSTANTIAL AMENDMENT

Jurisdiction: City of San Diego	CDBG-R Contact Person: Angela Nazareno
Jurisdiction Web Address: www.sandiego.gov/cdbg/general	Address: 1200 Third Avenue, Suite 1400 San Diego, CA 92101
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ENSURING RESPONSIBLE SPENDING OF RECOVERY ACT FUNDS

Funding available under the Recovery Act has clear purposes – to stimulate the economy through measures that modernize the Nation’s infrastructure, improve energy efficiency, and expand educational opportunities and access to health care. HUD strongly urges grantees to use CDBG-R funds for hard development costs associated with infrastructure activities that provide basic services to residents or activities that promote energy efficiency and conservation through rehabilitation or retrofitting of existing buildings. While the full range of CDBG activities is available to grantees, the Department strongly suggests that grantees incorporate consideration of the public perception of the intent of the Recovery Act in identifying and selecting projects for CDBG-R funding.

A. SPREADSHEET FOR REPORTING PROPOSED CDBG-R ACTIVITIES

Grantees must provide information concerning CDBG-R assisted activities in an electronic spreadsheet provided by HUD. The information that must be reported in the spreadsheet includes activity name, activity description, CDBG-R dollar amount budgeted, eligibility category, national objective citation, additional Recovery Act funds for the activity received from other programs, and total activity budget. An electronic copy of the spreadsheet and the format is available on HUD’s recovery website at <http://www.hud.gov/recovery>.

B. CDBG-R INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY)

(1) Activity Name:

Activity Name	Activity Description	Est. Cost	Council District
San Diego Apartments	Affordable housing rehabilitation (16 units)	\$266,000	3
Euclid Court Apartments	Affordable housing rehabilitation (11 units)	\$418,000	7
Mt. Hope/Market St. Median and Street Lighting Project	Public Infrastructure Improvements – medians and street lighting (public facilities)	\$610,000	4
Montgomery Waller Recreation Center	ADA improvements - (public facilities) building improvements	\$675,000	8
Urban Corps Youth Training Center	Training facility - (public facilities) building improvements	\$550,000	2
San Diego Second Chance Community Resource Center	Community Resource Center - (public facilities) building improvements	\$157,000	4
*Prop. 1C Projects Additional info is listed in next page.	Affordable Housing Projects - offsite infrastructure (public improvements)	\$1,100,000	2, 3, 4
Administration	Oversight of the CDBG-R funds (max. 10%)	\$240,000	Citywide
Total Recommendations		\$4,016,000	

*Prop. 1C – Transit Oriented Development (TOD) Projects

The Village at Market Creek (Trolley Residential; Northwest Village)	Jacobs Center for Neighborhood Innovation	\$1,700,000
9th and Broadway	BRIDGE Housing	\$985,000
15th and Commercial	St. Vincent de Paul	\$663,759
The Boulevard at North Park	Community Housing Works	\$1,505,000

*Prop 1C - Infill Infrastructure Grant (IIG) Project

15th and Commercial	St. Vincent de Paul	\$308,902
Cedar Gateway	ROEM Corporation	\$70,000
Total Requested		\$378,902

(2) Activity Narrative:

In addition to the Spreadsheet for Reporting Proposed CDBG-R Activities, grantees must provide a narrative for each activity describing how the use of the grantee's CDBG-R funds will meet the requirements of Title XII of Division A and Section 1602 of ARRA. The grantee's narrative must also state how CDBG-R funds will be used in a manner that maximizes job creation and economic benefit in relation to the CDBG-R funds obligated, and will address the Recovery Act, by:

- Preserving and creating jobs and promoting economic recovery;
- Assisting those most impacted by the recession;
- Providing investment needed to increase economic efficiency;
- Investing in transportation, environmental protection, or other infrastructure that will provide long-term economic benefits;
- Minimizing or avoiding reductions in essential services; or
- Fostering energy independence.

Response:

- (A) Preserving and creating jobs and promoting economic recovery: The City of San Diego has chosen to limit CDBG-R funding to public facilities, infrastructure, and affordable housing rehabilitation because these activities work towards preserving and creating jobs. As with other regions, the City has also been impacted by the current economic downturn conditions. Therefore, completion of these projects is consistent with the goals of the Recovery Act to utilize the CDBG-R funds for hard development costs that employ or retain a significant number of workers.

Please refer to **Attachment 1** for a more detailed description of each activity.

- (3) Jobs Created: (Report the number of full- and part-time jobs estimated to be created and retained by the activity (including permanent, construction, and temporary jobs)).

Response:

Jobs estimated created or retained per project (to the greatest extent feasible) are listed below:

San Diego Apartments	20-25 created
Euclid Court Apartments	15-20 created
Mt. Hope/Market Street	TBD
Montgomery Waller Recreation Center	TBD
Urban Corps Youth Training Center	TBD
San Diego Second Chance Community Center	TBD
Prop 1C – Affordable housing Rehabilitation projects	TBD

- (4) Additional Activity Information: (A description of how the activity will promote energy conservation, smart growth, green building technologies, or reduced pollution emissions, if applicable.)

Response:

All infrastructure improvement projects are encouraged to comply with the City's Construction, Demolition Debris and Deposit Ordinance.

- (5) Responsible Organization: (Contact information for the organization that will implement the CDBG-R activity, including its name, location, and administrator contact information)

Response:

San Diego Apartments/Euclid Courts Apartments
Contact: Cissy Fisher, Assistant Vice President
San Diego Housing Commission
1122 Broadway, Suite 300
San Diego, CA 92101
T: 619-578-7585
F: 619-578-7351

Mt. Hope/Market Street
Contact: James Negalvoort, Deputy Director
City of San Diego, Engineering
600 B Street, Fifth Floor
San Diego, CA 92101
T: 619-533-3616

F: 619-533-3131

Urban Corps Youth Training Center
Second Chance Community Resource Center
Montgomery Waller Recreation Center
Contact: Yovanna Hanna/Coselyn Goodrich
City of San Diego, Engineering
600 B Street, Fifth Floor
San Diego, CA 92101
T: 619-533-5228
F: 619-533-3112

Prop 1C Projects
Contact: Amy Benjamin
City of San Diego, CPCI
202 C Street, Fifth Floor
San Diego, CA 92101
T: 619-236-6525
F: 619-236-6478

C. PUBLIC COMMENT

Provide a summary of public comments received to the proposed CDBG-R Substantial Amendment.

Response: The City of San Diego is under taking several activities to provide notice of an opportunity to comment on this proposed substantial amendment to the FY2009 Action Plan. A Public Notice for the proposed substantial amendment is being published in the Union Tribune, San Diego Daily Transcript, La Prensa, the Voice & Viewpoint, Channel 24 (CityTV), and the City's CDBG Program webpage (www.sandiego.gov/cdbg/general). The public comment period is May 25th - June 1st, 2009. The public will have final opportunity to comment on the proposed amendment on June 1, 2009 when the City Council considers adoption of the amendment at a public meeting. All public comments obtained will be included in the final substantial amendment submitted to the U.S Department of Housing and Urban Development (HUD).

ATTACHMENT 1

PROJECT ACTIVITY	DESCRIPTION
San Diego Apartments	Planned improvements to the apartments include landscaping, site drainage, walkway repairs, kitchen and bathroom remodeling, roofing and insulation, energy efficient door and window replacements, ceiling fans, floor coverings, interior and exterior painting, fumigation, energy efficient appliances, water-efficient plumbing fixtures, and retrofitting of one unit for improved accessibility. It is anticipated that this project will provide construction trade employment opportunities for approximately 20-25 individuals in various trades. It is anticipated that this will be an overall 3-4 month period.
Euclid Court Apartments	Planned improvements to the apartments include landscaping, site drainage, walkway repairs, kitchen and bathroom remodeling, roofing and insulation, energy efficient door and window replacements, ceiling fans, floor coverings, interior and exterior painting, fumigation, energy efficient appliances, water-efficient plumbing fixtures, and retrofitting of one unit for improved accessibility. The structures were constructed in the 1940's and will require lead abatement. It is anticipated that this project will provide construction trade employment opportunities for approximately 15-20 individuals in various trades. It is anticipated that this will be an overall 2-3 month period.
Mt. Hope/Market Street Median and Street Lighting Project	Public improvements, including street medians and streetlights will address residents' concerns about safety. A set of landscaped and paved street medians on Market Street between Boundary Street and 41 st Street will improve vehicular and pedestrian safety, improve neighborhood recognition by providing continuity with the existing medians, and enhance streetscape appearance. New streetlights to be installed south of Market Street between 41 st Street and 43 rd street will comply with City standards on spacing of streetlights and increase visibility and safety of the area.
Montgomery Waller Recreation Center	This recreation center is in the Otay Mesa community and serves a low-to-moderate income population. The recreation facilities are small and in need of rehabilitation to address compliance with ADA.
Urban Corps Youth Training Center	Urban Corps is a local non-profit organization that provides education, training and jobs to at-risk youth, ages 18-25, and their communities through conservation and environmental service work. They are working on constructing a community room and other facilities to help improve their building and programs. CDBG-R funds will be used to help complete the restoration project.
San Diego Second Chance Community Resource Center	Second Chance assists economically disadvantaged and homeless persons to gain employment. CDBG-R funding will be used for a second classroom and enhanced community room for meetings and graduations.
Prop 1C Projects	Detailed description is listed in the next page.

On March 30, 2009, Council approved Resolutions authorizing the Mayor to support applications to the California Department of Housing and Community Development (HCD) for funding under Proposition 1C- Transit Oriented Development (TOD) and Infill Infrastructure Grant (IIG) Programs for affordable housing projects. HCD expects to award funding by the end of June, 2009.

In order to score competitively, San Diego applicants are requesting a local match of stimulus funds through the American Recovery and Reinvestment Act (ARRA). HCD awards points based upon the amount of stimulus matching points committed by a local jurisdiction, with a minimum match requirement of 10 percent. CDBG-R has been identified as the primary stimulus program to fund Prop 1C infrastructure activities.

Prop 1C funds are highly competitive and oversubscribed. In order to ensure San Diego projects are not competitively disadvantaged, it is recommended that at least \$1 million in CDBG-R funds is allocated as matching funds for the most successful Prop 1C applications. Without this funding, San Diego projects will risk forgoing significant state investment in affordable housing, infrastructure, and transit oriented development. Additionally, our local stimulus dollars will be leveraged 9:1 should any one of our projects be selected by HCD.

The following projects are currently under consideration by HCD and have requested stimulus funding from the City for public facilities and infrastructure. The amounts included reflect 10% of the total amount requested to HCD for each project, and would provided the minimum number of points available in the respective scoring category.

TOD PROJECTS

The Village at Market Creek (Trolley Residential; Northwest Village)	Jacobs Center for Neighborhood Innovation	\$1.7M	District 4- Southeast
9th and Broadway	BRIDGE Housing	\$985,000	District 2- Downtown
15th and Commercial	St. Vincent de Paul	\$663,759	District 2- Downtown
The Boulevard at North Park	Community Housing Works	\$1,505,000	District 3- North Park

IIG PROJECTS

15th and Commercial	St. Vincent de Paul	\$308,902	District 2- Downtown
Cedar Gateway	ROEM Corporation	\$70,000	District 2- Downtown